

November 13, 2017

Notice Regarding the Differences between Non-consolidated Financial Forecasts and Actual Results for the second quarter ended September 30, 2017

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THK CO., LTD. hereby announces the differences between the non-consolidated financial forecasts for the second quarter (six months) ended September 30, 2017, which was reported on May 11, 2017, and the actual results for the second quarter, as in the table below:

	Net Sales (Millions of Yen)	Operating Income (Millions of Yen)	Ordinary Income (Millions of Yen)	Net Income (Millions of Yen)	Net Income per Share (Yen)
Second quarter ended September 30, 2017					
Forecasts (A)	¥80,000	¥10,000	¥10,100	¥7,300	¥57.67
Actual results (B)	77,860	9,686	11,426	14,496	114.53
Difference (B-A)	(2,139)	(313)	1,326	7,196	
(Percentage)	(2.7)%	(3.1)%	13.1%	98.6%	
(For reference)					
Actual results for the second quarter ended September 30, 2016	61,072	5,466	3,483	2,872	22.69

Reasons of the differences

Since THK decided to transfer its holding shares of a consolidated subsidiary as disclosed in "Notice regarding Transfer of Shares of a Subsidiary and Related Extraordinary Gain (Non-consolidated Basis)" announced on October 23, 2017, the loss on valuation of investments in the aforementioned subsidiary became deductible for tax purposes, resulting in recognition of ¥6,134 million of deferred tax assets (¥6,134 million of income tax-deferred). As a result, net income for the six months ended September 30, 2017 exceeded the previously announced forecast.